

EXHIBIT C



Data iSight Facility Methodology

This document summarizes the methodologies used by the Data iSight product to price inpatient and outpatient claims. Additional details on these methodologies, and for pricing of non-acute facility claims, are available on request.

Data iSight determines a fair price for facility claims using a patented methodology based on median costs from a benchmark group of like claims. For inpatient claims, the benchmark group is comprised of claims from similar hospital types, and sizes, and with the same all-patient severity-adjusted Diagnosis Related Groups (APR-DRG); for outpatient claims the benchmark group is based on claims with the same HCPCS codes. Both benchmark groups are built using extensive public data sources, and are adjusted for local market wages.

Inpatient Claims

An overview of the process for inpatient claims follows; a sample is provided on the next page.

- The claim is edited using industry-standard rules to correct invalid codes, age sex conflicts with procedures, ungroupable DRGs and other issues.
- An APR-DRG is assigned to the claim, using standard grouper software.
- A benchmark group of at least 200 claims with the same APR-DRG, hospital type (teaching or not, rural or urban) and bed size is compiled, using hospital-specific data submitted to the Healthcare Cost Report Information System (HCRIS) cost reporting system.
- For each claim in the group, the claim's actual cost is calculated using the very detailed department-level cost-to-charge ratios included in the HCRIS data.
- Costs of all comparison cases are then adjusted based on the hospital's wage index.
- The median wage-adjusted cost for the benchmark group is calculated, and a margin factor is applied. The default mark-up is 125%, established based upon historic accepted amounts for out-of-network claims among other considerations.
- Any client-elected overrides to the methodology are applied. Typically, clients apply an override to never pay more than 250% of Medicare.
- Standard overrides are applied to set upper and lower limits to the price. The lower limit is the amount at which 75% of hospitals in the benchmark group would be profitable, and the upper limit is billed charges.

About the Data Sources

The inpatient pricing module uses a database that contains 12-24 months of data representing approximately 75% of all inpatient discharges in the United States, updated quarterly. Included are:

Data	Purpose
All Payer State Public Data	Detailed commercial, Medicare and Medicaid claim data including charges at the revenue-defined department level
MedPAR Data	National data on all Medicare inpatient discharges, which measures the hospital's customary charges to the public
HCRIS Public Data	Detailed financial and operational statistical reports including cost information for all rendered in the facility, regardless of payer
Area wage and inflation related data	Government inflation rates for medical services, based on a market basket of services and published annually, and Area wage adjustments to reflect wage differences in the local area, published annually in the federal register.



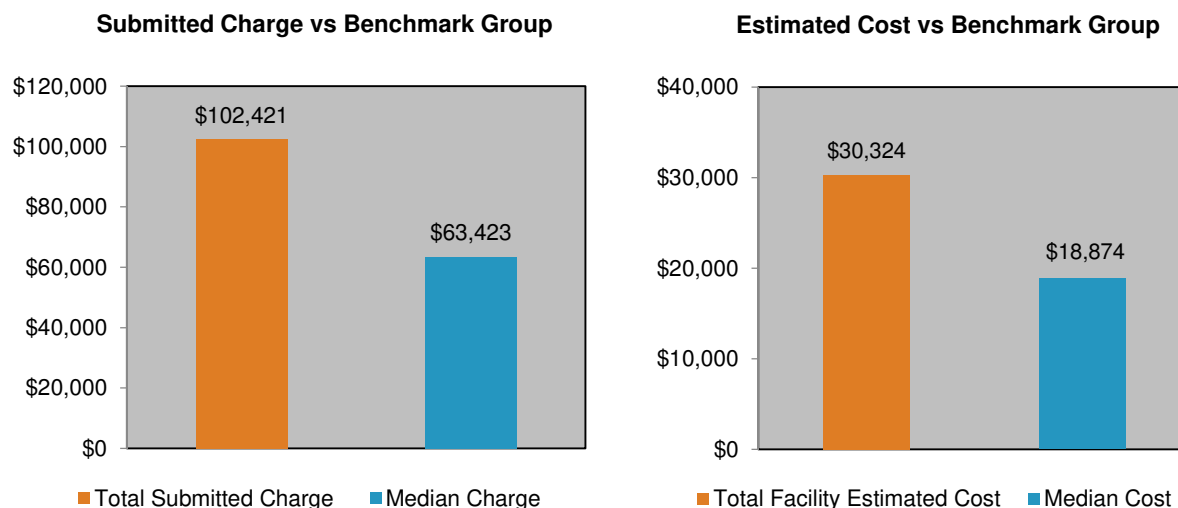
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Inpatient Claim Example

Claim Details:		Benchmark Group:	
Provider Name	XYZ Hospital	Number of Facilities	436
Principal Diagnosis Code	S82251A	Number of Cases	26,522
Principal Procedure Code	0QSG04Z	APR-DRG Severity Level	2
Total Submitted Charge	\$102,420.55		
Severity-Adjusted DRG Code	3132		

- Facility's Estimated Cost of Care: \$30,324.00
- Medicare Standard Reimbursement Amount: \$19,224.87
- Data iSight Reimbursement Amount: \$42,466.50
- 100% of facilities would have a positive margin at this Data iSight Reimbursement Amount

The graphs below compare this claim's Data iSight Reimbursement to the benchmark group:



The table below compares the margin for this claim when reimbursed based on the original charges vs. the Data iSight Reimbursement amount.

	If Reimbursed as Submitted	If Reimbursed at the Data iSight Amount
Gross margin for facility:	\$72,096.55	\$12,142.50
Gross mark-up percentage:	238%	40%
Percentage of Medicare reimbursement:	533%	221%
Reimbursement percentage of total submitted charge:	100%	41%

Outpatient Claims

Outpatient claims are typically evaluated at the HCPCS (Healthcare Common Procedure Code System) rather than DRG level. Therefore, for outpatient claims Data iSight examines each claim line and then benchmarks each HCPCS code to a national or peer group median cost value using a process similar to the one described above. Other differences include:



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- The benchmark group includes from the database all patients who had the same service performed and all facilities nationwide, with geographical adjustments applied based upon the local wage index, as well as on local rent/lease factors.
- In addition to HCRIS data and wage/inflation data, the outpatient module accesses the national Outpatient Standard Analytical File to obtain outpatient charge data and Provider of Service files to obtain facility demographic information.
- The claim editing processes uses the Integrated Outpatient Code Editor (I/OCE) to apply NCCI and other edits that check for mutually exclusive procedure errors, invalid HCPCS, procedure age or sex conflicts, multiple and bilateral procedures, and other outpatient claim related coding issues. APC and ASC codes are also applied to each claim line.
- There is only one standard override: the upper limit of billed charges. In addition, the typical client-elected override is to never pay more than 400% of Medicare.
- The benchmark group must contain at least 150 matching HCPCS claim lines.

Outpatient Claim Example

Claim Details:	
Provider Name	XYZ Surgical Center
Principal Diagnosis Code	S92302A
Total Submitted Charge	\$2,551.06

- Facility's Estimated Cost of Care: \$537.00
- Medicare Standard Reimbursement Amount: \$304.55
- Data iSight Reimbursement Amount: \$894.01

The table below provides the line level detail of Data iSight Reimbursement calculation.

Line	Date of Service	HCPCS/ CPT Code	Units	Billed Amount	Data iSight Amount
1	03/22/2016	99283	1	\$1,421.28	\$392.01
2	03/22/2016	29515	1	\$219.62	\$171.53
3	03/22/2016	73630	1	\$673.49	\$182.20
4	03/22/2016	E0114	1	\$89.27	\$89.27
5	03/22/2016		3	\$147.40	\$59.00